



# Early Warning

## Quarterly PR Pulse

Q4 2022 *Topic 1: Tipping*

# METHODOLOGY

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## METHODOLOGY

- Ten-minute online survey
- Quarterly tracking
- Sample via EWS Online Research Panel



## POPULATION

- 450 interviews per quarter
- Mobile Majority ages 18-75, determined by U.S. Census data



## QUALIFYING CRITERIA

- Ages 18-75
- Not employed in a sensitive industry
- At least a high school graduate
- Has a checking or savings bank account

## KEY FINDINGS

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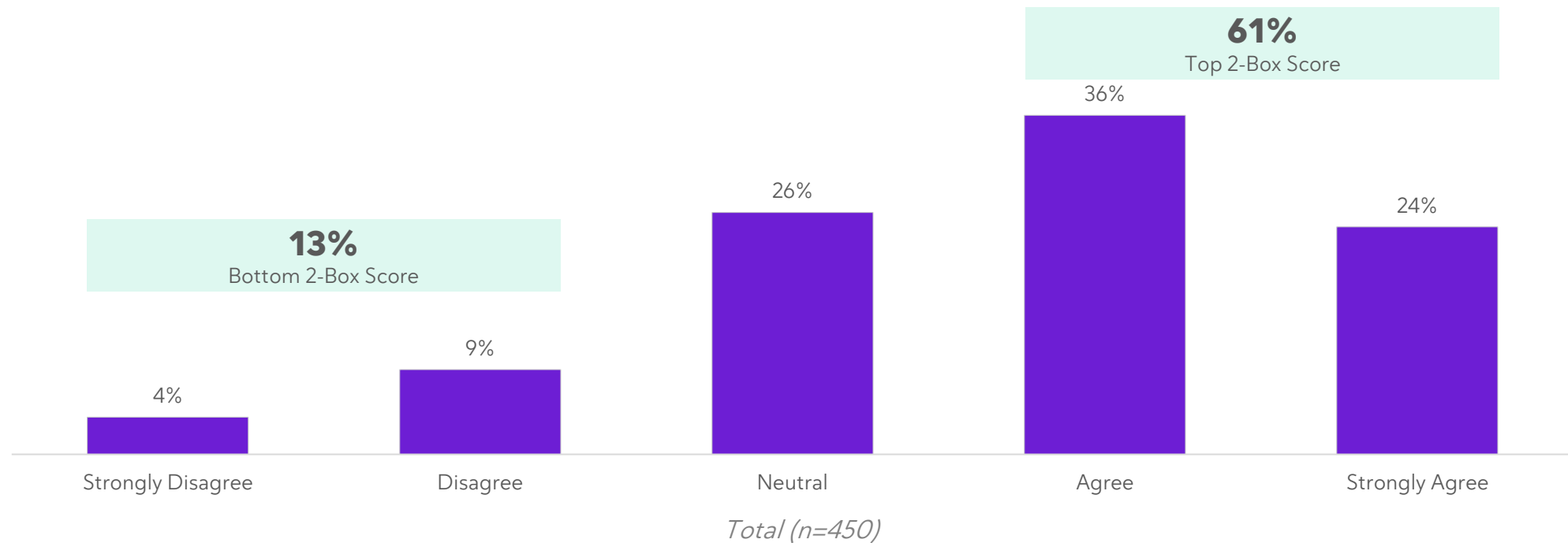
- More than three-fifths of consumers this quarter (61%) agreed or strongly agreed (Top 2-Box Score) that tipping has become more top of mind since the start of the COVID-19 pandemic.
- Forty-six percent of consumers in Quarter 4 of 2022 reported a change in their tipping behavior since the start of the COVID-19 pandemic.
  - More than half of those who acknowledged a change in tipping behavior reported that they tip larger amounts now than they did previously, pre-pandemic (55%).
- Three-fifths of consumers this quarter disagreed or strongly disagreed (Bottom 2-Box Score) that they tip the same amount of money, regardless of service quality.
- Consumers this quarter were split on their participation in delivering a special, physical gift to trusted service providers during the holidays (Yes, 51% and No, 49%).
- Consumers this quarter were also split on their participation in “holiday tipping” (Yes, 49% and No, 51%).
  - Of consumers who do participate in holiday tipping, 88% felt fairly confident or very confident in deciding who to tip (Top 2-Box Score).
- Delivery service workers were the most selected “holiday tipping” recipients (62%) this quarter.
- Most of the consumers who reported participating in “holiday tipping” in Quarter 4 of 2022 preferred to deliver their “holiday tips” in December before the end of the year (77%).
- Cash was the most preferred method for regular tipping (70%) and “holiday tipping” (79%) in Quarter 4 of 2022.

## TIPPING AND THE COVID-19 PANDEMIC

More than three-fifths of consumers in Quarter 4 of 2022 (61%) agreed or strongly agreed that tipping has become more top of mind since the start of the COVID-19 pandemic.

### Awareness of Tipping Practices

*Tipping has become more top of mind since the start of the COVID-19 pandemic.*



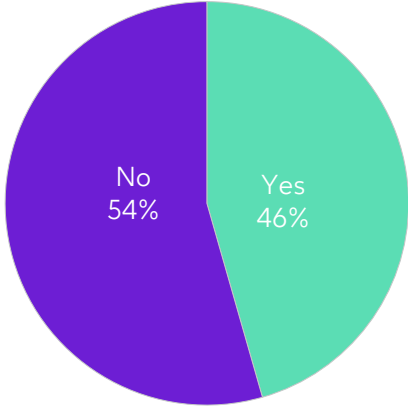
Source: Q1. Please rate your level of agreement with the following statement. "Tipping has become more top of mind since the start of the COVID-19 pandemic." (Please select one).

### TIPPING AND THE COVID-19 PANDEMIC (CONTINUED)

Out of the 46% of consumers in Quarter 4 of 2022 who reported a change in their tipping behavior since the start of the COVID-19 pandemic, more than half (55%) report tipping larger amounts now than they did before.

#### Changes in Tipping Behavior

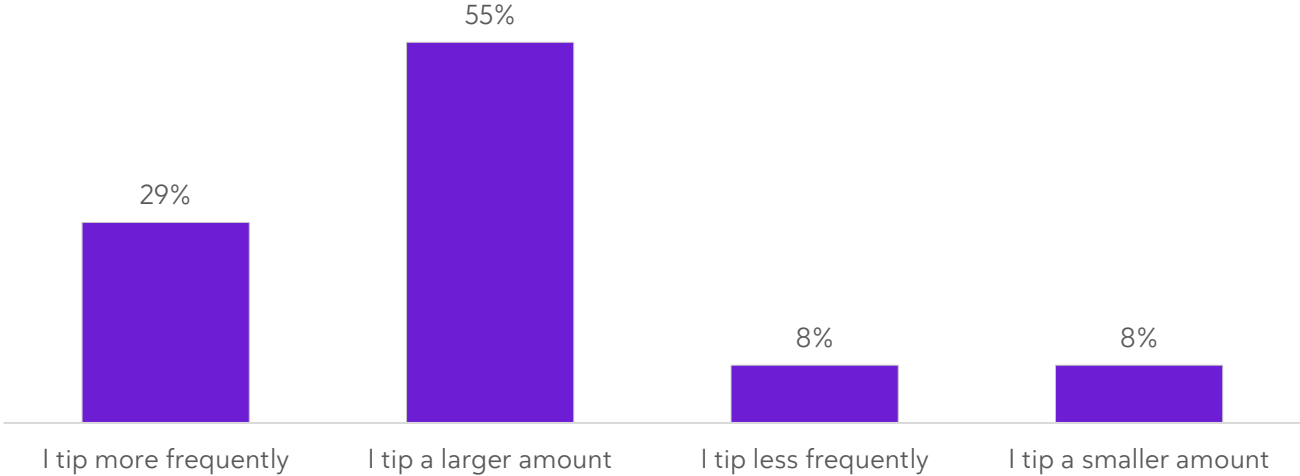
*Has your tipping behavior changed since the start of the COVID-19 pandemic?*



■ Yes ■ No

Total (n=450)

#### Tipping Behavior Since the Start of the COVID-19 Pandemic



Has changed tipping behavior (n=205)

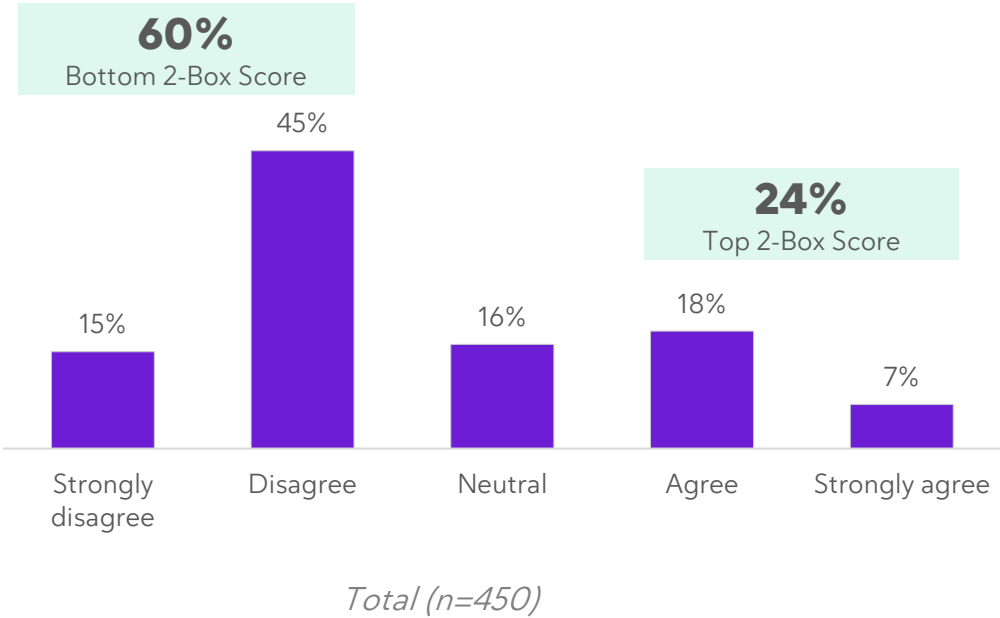
Source: Q2. Has your tipping behavior changed since the start of the COVID-19 pandemic? (Please select one). | Q3. How has your tipping behavior changed since the start of the COVID-19 pandemic? (Please select one).

# TIPPING PREFERENCES

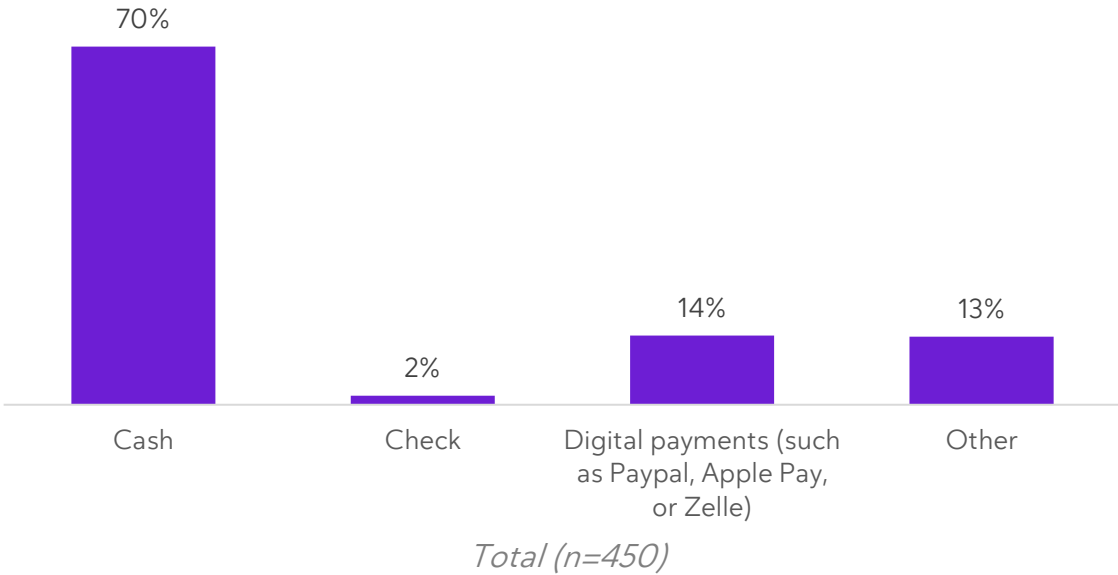
Among consumers in Quarter 4 of 2022, three-fifths (60%) disagreed or strongly disagreed that they tip the same amount of money regardless of service quality. Cash was the most preferred way to leave a tip (70%).

## Change in Tipping Amount Due to Service

*I tip the same amount of money regardless of service*



## Preferred Way to Leave a Tip

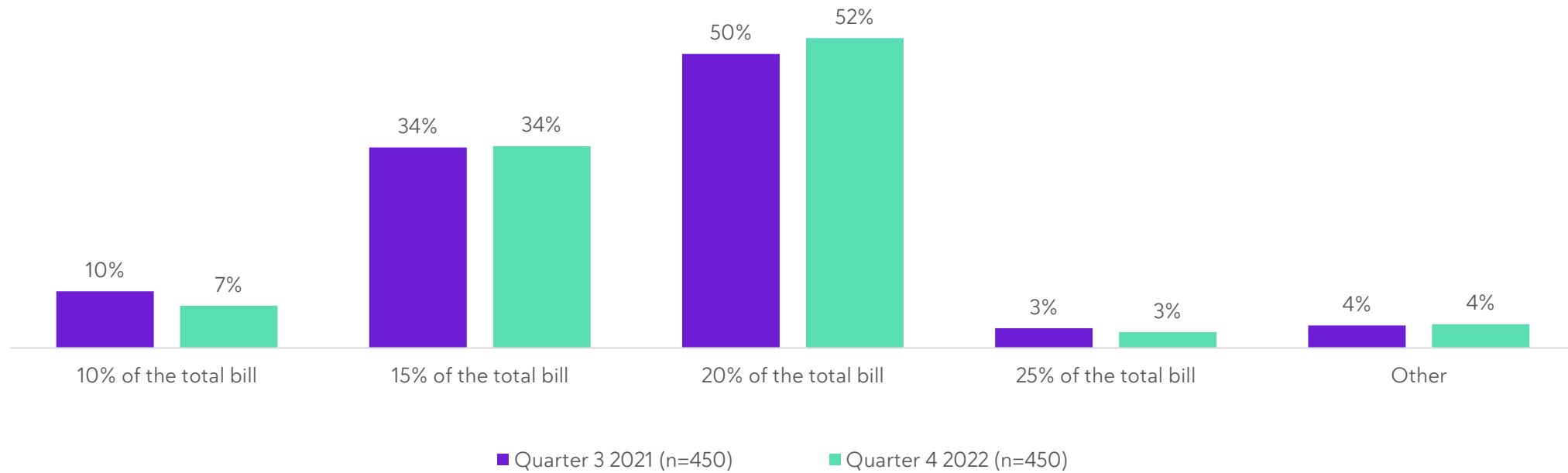


Source: Q4. Please rate your level of agreement with the following statement. "I tip the same amount of money regardless of service." (Please select one). | Q5. How do you prefer to leave a tip for a service(s)? (Please select one).

## TIPPING PREFERENCES (CONTINUED)

There were no significant differences in the perceived "normal" tipping amount by consumers in Quarter 4 of 2022 versus Quarter 3 of 2021. "Twenty percent of the total bill" was the most selected "normal" tipping amount for both reporting periods (50% for Quarter 3 of 2021 and 52% for Quarter 4 of 2022).

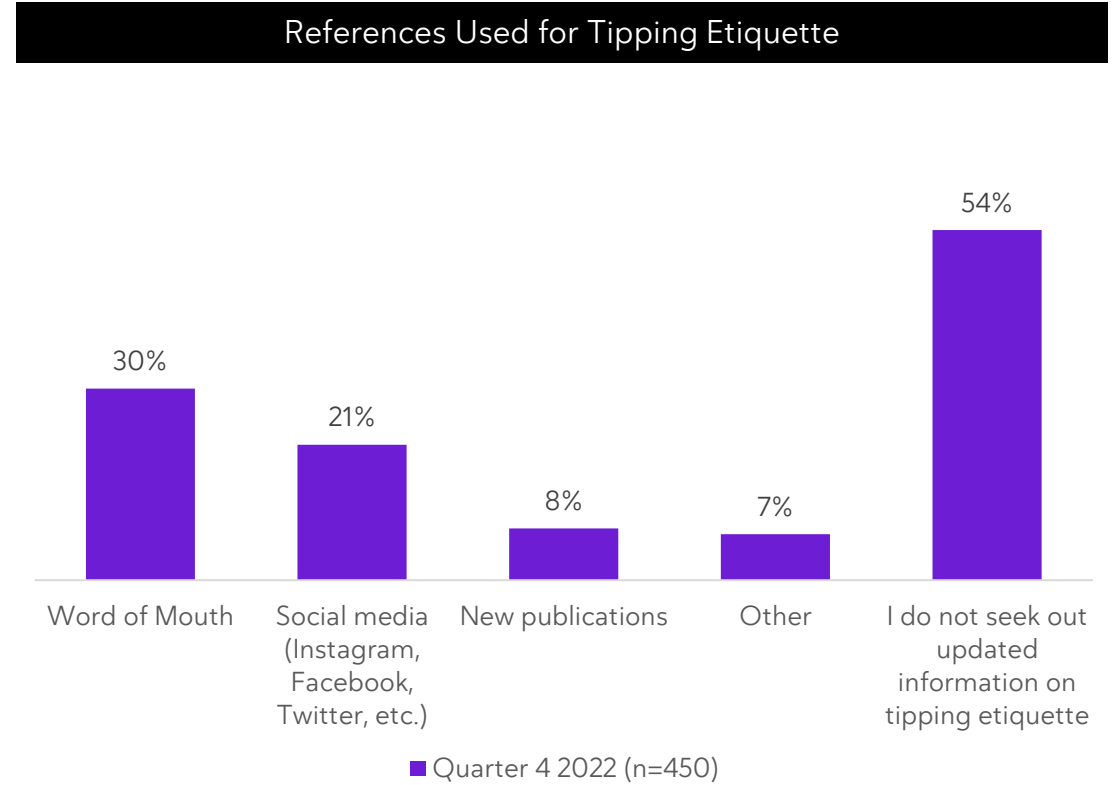
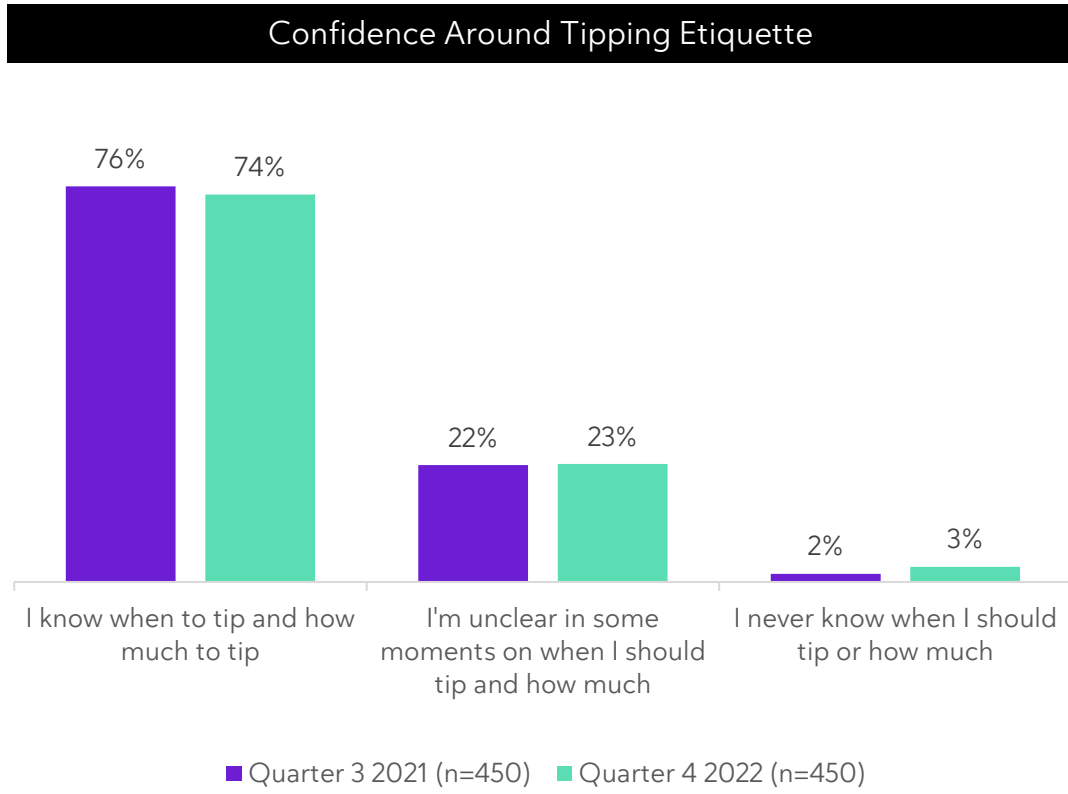
### "Normal" Tipping Amount



Source: Q3/Q7. What do you consider to be a "normal" tip amount? (Please select one).

## TIPPING ETIQUETTE

There were no significant differences in confidence levels for tipping between consumers in Quarter 3 of 2021 versus Quarter 4 of 2022. Most consumers in both quarters felt confident in knowing when to tip and how much to tip (76% in Quarter 3 of 2021 and 74% in Quarter 4 of 2022). More than half of consumers in Quarter 4 of 2022 (54%) reported that they do not seek out updated information on tipping etiquette.



Source: Q2/Q6. Which statement best describes your level of confidence around tipping etiquette? (Please select one). | Q8. Which of the following do you reference for updated information on tipping etiquette? (Please select all that apply).

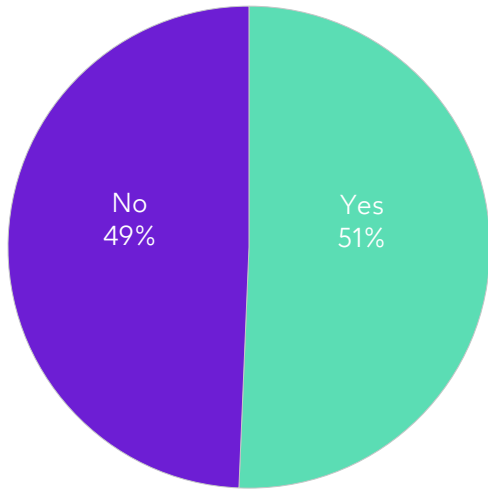


## HOLIDAY TIPPING

Fifty-one percent of consumers in Quarter 4 of 2022 reported that they deliver a physical gift to trusted service providers during the holidays. Forty-nine percent of consumers in the same quarter reported that they participate in "holiday tipping".

### Delivery of Gifts During the Holiday Season

*During the holidays, do you deliver a special, physical gift to a trusted service provider?*

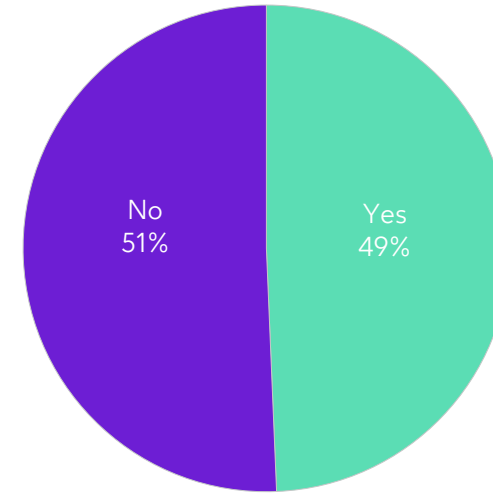


■ Yes ■ No

Total (n=450)

### Participation in "Holiday Tipping"

*Do you participate in "holiday tipping"?*



■ Yes ■ No

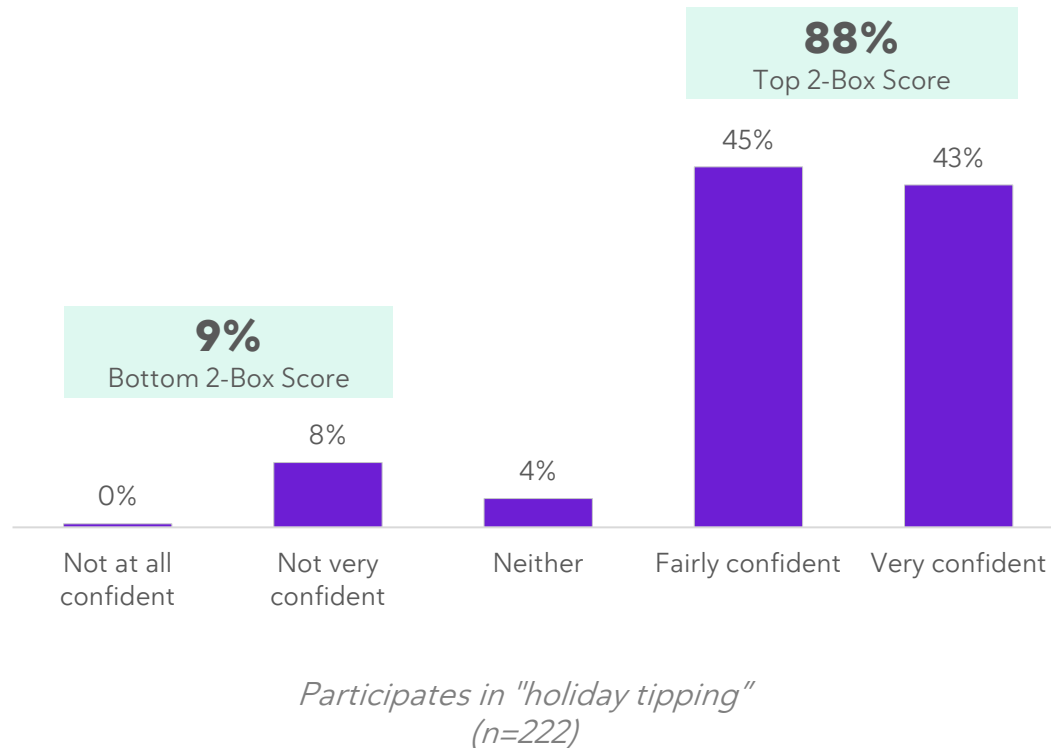
Total (n=450)

Source: Q9. During the holidays, do you deliver a special, physical gift to a trusted service provider (such as a nanny, teacher, housekeeper, or delivery person)? (Please select one). | Q10. Do you participate in "holiday tipping"? (Please select one).

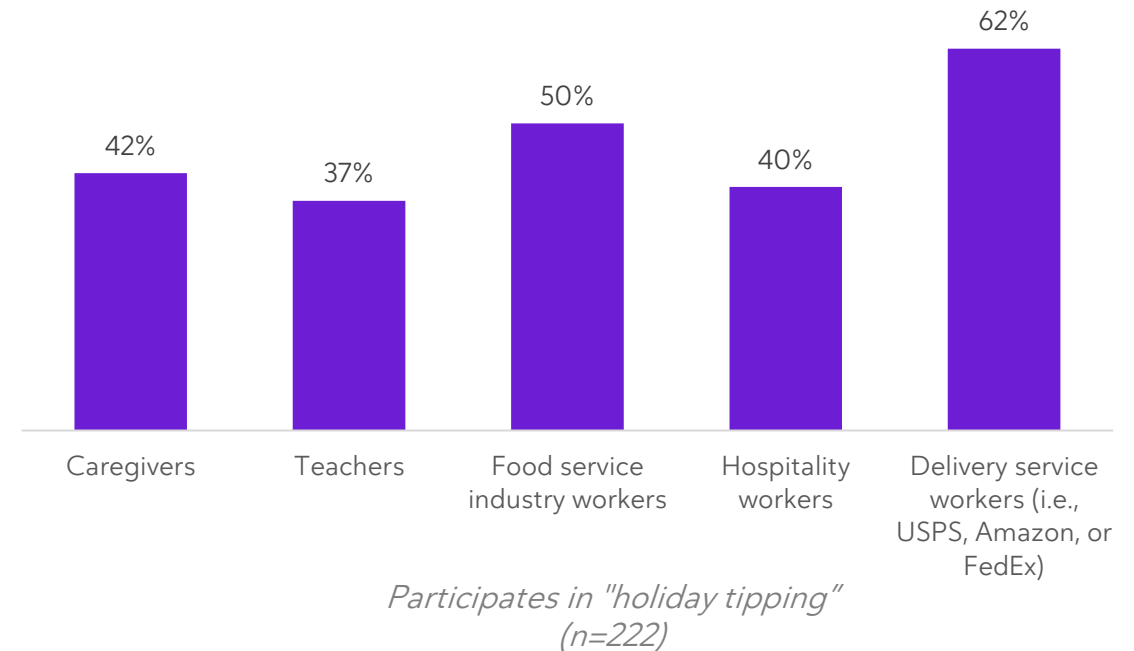
## HOLIDAY TIPPING (CONTINUED)

Most of the consumers in Quarter 4 of 2022 who participate in "holiday tipping" felt fairly confident or very confident in deciding who to tip (88%). Delivery service workers were the most selected recipients of "holiday tips" by consumers in Quarter 4 of 2022 (62%) who participate in the holiday tradition.

### Confidence in Deciding Who to "Holiday Tip"



### "Holiday Tipping" Recipients

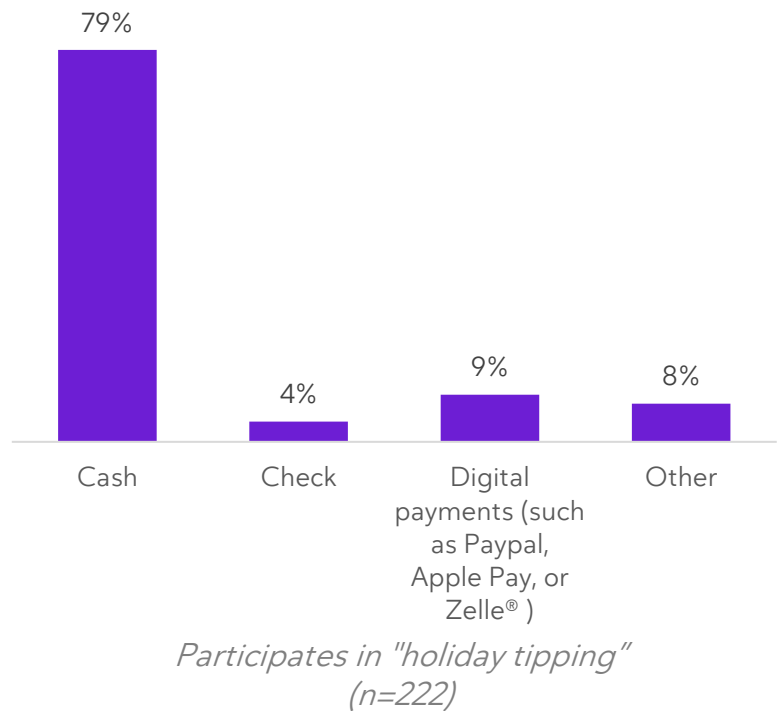


Source: Q11. When you participate in "holiday tipping," how confident are you in your ability to determine who to tip? (Please select one). | Q12. When you participate in "holiday tipping," who do you tip? (Please select all that apply.) (Please select one).

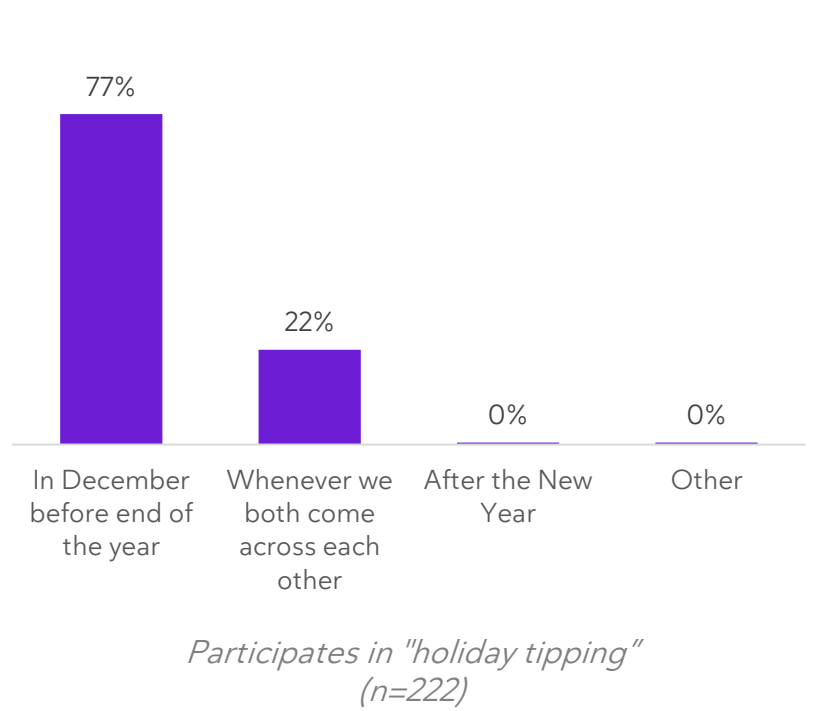
## HOLIDAY TIPPING (CONTINUED)

Most of the consumers in Quarter 4 of 2022 who participate in "holiday tipping" reported that they prefer to use cash (79%) and deliver their "holiday tips" in December, before the end of the year (77%). More than three-fifths of these consumers reported that they do not set a budget for "holiday tipping" (62%).

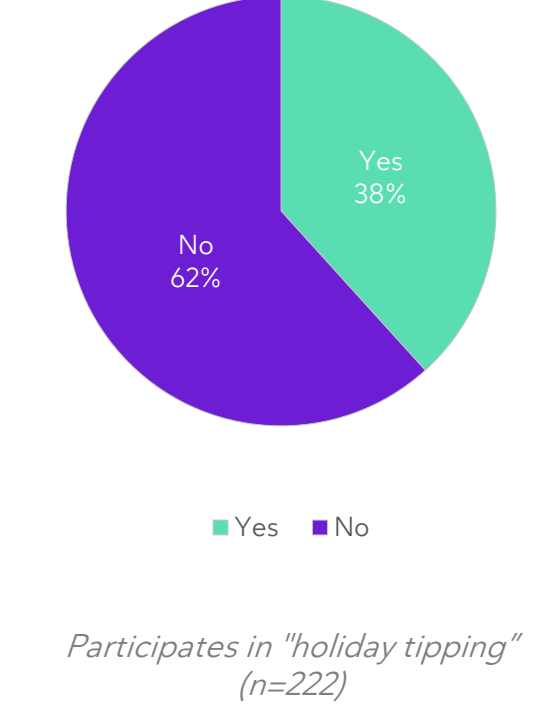
### Preferred Payment Method for "Holiday Tipping"



### When to Deliver "Holiday Tip"



### Set a Budget for "Holiday Tipping"

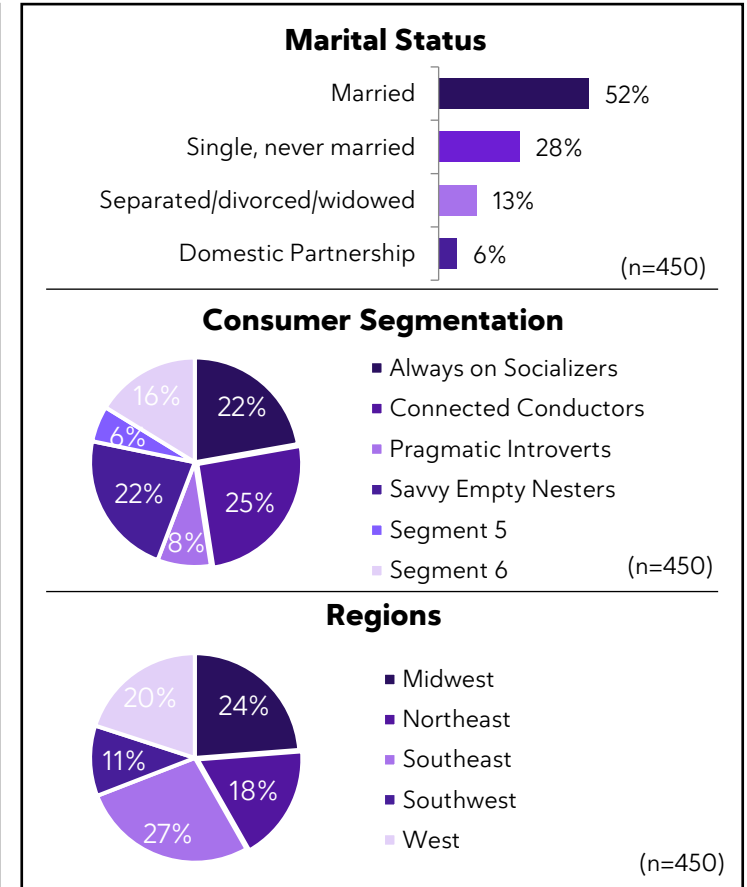
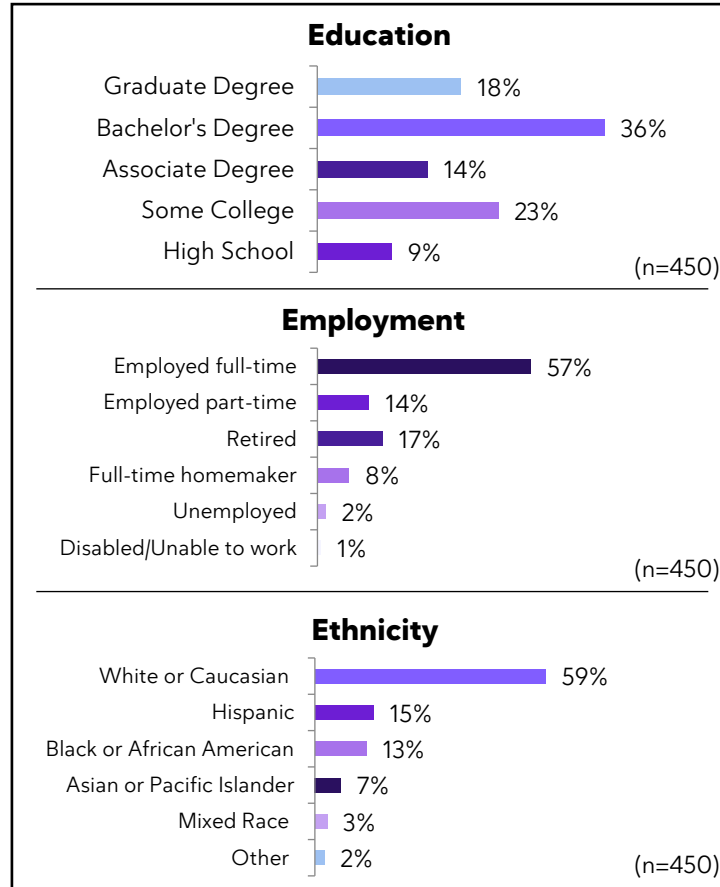
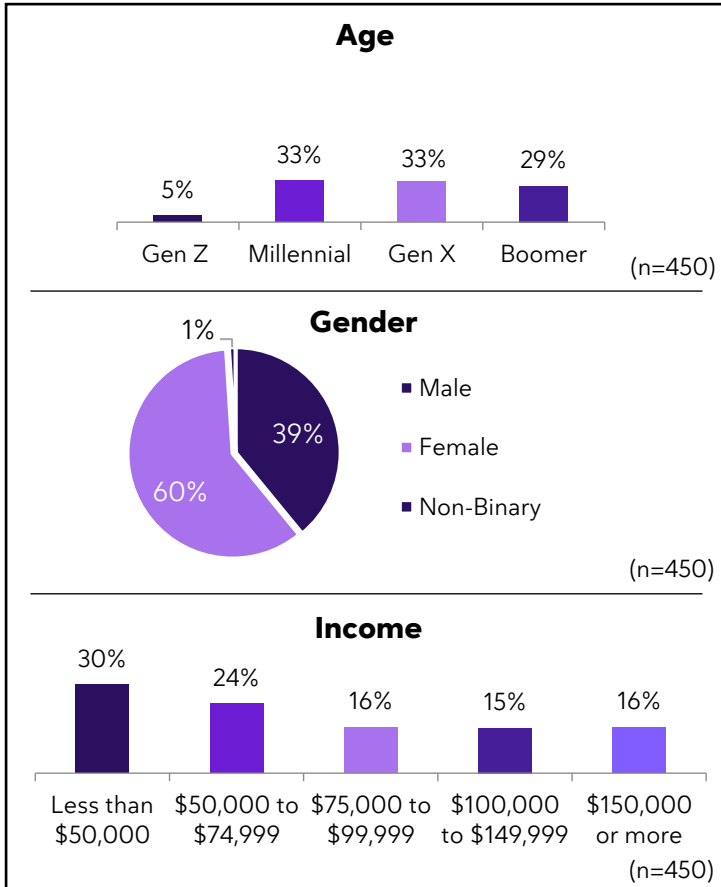


Source: Q13. Which of the following payment methods do you prefer to use for "holiday tipping"? (Please select one). | Q14. When do you normally deliver or send "holiday tips" to others? (Please select one). | Q15. Do you set a budget for "holiday tipping"? (Please select one).



# Appendix: Demographics

# DEMOGRAPHIC PROFILE



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